

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 5, 2010**

The City Council of the City of Leon Valley, Texas, met on the 5th day of March 2010 at 5:30 p.m. at the Leon Valley City Council Chambers, at 6400 El Verde Road, Leon Valley, Texas, for the purpose of the following business, to-wit:

SPECIAL CITY COUNCIL MEETING - 5:30 P.M.

Call to order.

Mayor Riley announced that tonight's meeting would be a joint meeting held with the Leon Valley Economic Development Corporation's Board of Directors.

Mayor Riley called the Special City Council Meeting to order at 5:34 p.m. and asked that the minutes reflect that the following members of Council were present: Garcia, Reyna, Baldrige, Dean, and Nelson.

City Manager Lambert, City Secretary Feutz, Economic Development Director Ryan, and City Attorney McKamie were also present.

Leon Valley Economic Development Corporation (LVEDC) Secretary Nancy Marin called the meeting to order and announced that a quorum of members were present: Mike McCarley, Abraham Diaz, and Dr. Georgia Zannaras.

Public Hearing before the City Council and the Leon Valley Economic Development Corporation Board of Directors : regarding a request to approve the Larry Little - Leon Valley Town Center project as recommended by the Leon Valley Economic Development Corporation.

After reading the agenda caption, Mayor Riley announced that this meeting would be the first of two meetings to be held as joint meetings with the LVEDC to received information on a proposed development project, hold a public hearing, and to have two readings of the proposed resolution with final adoption planned for March 8, 2010.

A. Presentation by the Leon Valley Economic Development Corporation on the proposed project

Economic Development Director Ryan addressed Council stating that the presentation to be given by the LVEDC will provide information on a new development project which is expected to increase sales tax revenue for the City and to help stop business leakage to sites outside Leon Valley. She introduced Ms. Marin, the first presenter for the LVEDC.

Ms. Marin addressed Council with a presentation of slides that illustrated information connecting the proposed town center development project to the Sustainable Design Assessment Team's recommendations that included a town center as one of the five kick off projects from the October 2008 workshops. She outlined steps needed to develop the project and how this project fits into the City's plans for development and redevelopment.

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LVEDC Board Chair Mike Davis joined the meeting at 5:43 p.m. Mr. Davis addressed Council explaining why the LVEDC felt that this proposed project was so important and explained that the proposed development of a 70,000 square foot mixed use center in the "town center" area would follow a design concept similar to The Ridge Shopping Center at Lockhill-Selma and Loop 1604. He stated that estimates for potential sales tax for the City and LVEDC when the center was fully built out could be \$133,000 - \$425,000 annually. He explained that the LVEDC had used projections from Buxton based on potential sales for a filled center of 70,000 square feet yielding about 2% sales tax or \$400,000 annually, and he projected that fourteen months after the project is built out the City should see a return on investment. He confirmed that the developer, Larry Little, did give a personal guarantee on this project and the developer's time frame has been updated to two years for project completion.

LVEDC Treasurer Mike McCarley addressed Council explaining that the Corporation is requesting to leverage 4B Sales Tax revenue of \$300,000 over the next 15 years, at a loan of approximately \$42,000 per year. Mr. McCarley stated that the amount the Corporation will be providing represents 25% of 4B Sales Tax for investment in a town center project and that 75% of 4B Sales Tax revenue will still be available for other LVEDC projects. He also explained that the first lien position on the property or an equity offered in building space of 3-5,000 square feet is offered to offset the \$500,000 LVEDC investment in the project. Mr. McCarley stated that once built, the project will either be a single story or mixed-use town center concept. It was explained that because the project required an expenditure by the LVEDC of more than \$10,000, the Corporation must receive Council approval before it can move forward with the financial support of this project.

B. Open Public Hearing

Mayor Riley opened the public hearing at 6:02 p.m. and invited anyone to come forward to address the Council and Corporation on the proposed project.

Resident Al Uvietta addressed the Council and Corporation and expressed his support of this project and encouraged Council to vote in favor of the project.

Tony Flores, representing the Leon Valley Area Chamber of Commerce, spoke up also in favor of the proposed project and stated that the Chamber supported the 4B sales tax initiative and asked Council to support the project to bring more business to Leon Valley and produce more jobs in the City.

Developer Larry Little addressed Council and the Corporation and gave a timeline of his expectations for this project: 18 months from funding or about the end of 2011 until the shell of the building is completed, another twelve months for 30% occupancy, and by the end of 2014, he expects 80% occupancy. Councilmember Nelson asked if the developer considered any outside seating with this project to which Mr. Little expressed his interest in attracting a restaurant with an outdoor eating area as one of the projects' tenants. Mr. Little stated that he was interested in working with the City in the developing this project.

Resident Al Baldrige addressed Council thanking them for the leadership to consider such a project and expressed his hope that the project would be able to move forward.

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
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C. Close Public Hearing

Hearing no one else, Mayor Riley announced the public hearing closed at 6:15 p.m.

Leon Valley City Council to consider action on the First Reading of Resolution No. 10-007 - a request to approve the Larry Little - Leon Valley Town Center project as recommended by the Leon Valley Economic Development Corporation and approving the Leon Valley Economic Development Corporation (LVEDC) project request for use of 4B Economic Development Sales Taxes in excess of \$10,000

A motion was made by Councilman Reyna, seconded by Councilman Dean to approve the Resolution No. 10-007 as presented. Mayor Riley asked for a roll call vote and the votes were as follows: Garcia, Reyna, Baldrige, Dean, and Nelson for the motion; no one against the motion. Mayor Riley announced that the first reading of the resolution and its first vote was approved by the unanimous votes of Council, and she announced that the second reading of the resolution and another public hearing would be held at 6:00 p.m. on Monday, March 8, 2010 in the Council Chambers.

Councilman Jack Dean led a round of applause for the work that the LVEDC has done, along with its business-minded predecessors - the Business Alliance Committee and other citizens over the past years. Councilmember Baldrige also lent her voice to compliment the work that has led to bringing development progress forward.

Adjourn.

A. Leon Valley Economic Development Corporation

Hearing no further business, a motion was made by LVEDC Board Chair Davis and seconded by Nancy Marin to adjourn the LVEDC meeting at 6:18 p.m. Chairman Davis announced that the Special Meeting of the Leon Valley Economic Development Corporation was adjourned.

B. Leon Valley City Council.

Hearing no further business, a motion was made by Councilmember Baldrige, seconded by Councilman Garcia to adjourn, and Mayor Riley announced the Special City Council meeting was adjourned at 6:19 p.m.

Mayor Chris Riley

Marie Feutz
City Secretary

Approved by unanimous vote of City Council at the Regular City Council Meeting of March 16, 2010.